

# Fight not over for Azumah

**A**zumah Resources Ltd has plenty of unfinished business still to attend to at its Wa gold project in Ghana, according to managing director Stephen Stone.

Despite having a project considered by some to be “shovel ready”, Azumah remains committed to expanding the Wa resource beyond the 2.1 moz defined since 2005, including a reserve of 624,000oz at 2.14 g/t gold.

Recent drilling has supported Stone’s comments, with initial results from the 5,500m multi-target programme suggesting plenty more ounces are still to be found on the 2,400sq km property.

“There is a lot of unfinished business over this tenure to keep us busy throughout next year,” Stone told **Gold Mining Journal**.

“We’re out there to remind everyone we’re first and foremost an exploration company and there’s enormous scope to increase the resources, given the large land position that we have.”

Azumah is eyeing off a maiden resource estimate for the Josephine prospect and the recent drilling helped extend the mineralisation to 400km strike and to depth, which remains open.

All six holes into Josephine intersected mineralisation, including a headline intercept of 10m @ 7.43 g/t gold from 97m (including 2m @ 28.95 g/t). Other key hits were 14m @ 1.19 g/t from



More drilling is planned for the Wa gold project in the first half of 2017

74m, 9m @ 1.08 g/t from 47m and 9m @ 1.34 g/t from 61m.

First-pass drilling at new targets Manwe South (2m @ 22.9 g/t from 46m, 4m @ 2.14 g/t from 16m and 9m @ 1.34 g/t from 61m), Julie Far East (7m @ 3 g/t from 44m, 8m @ 1.5 g/t from 18m and 9m @ 2.01 g/t from 22m) and Madam’s Farm (2m @ 3.29 g/t from 32m and 4m @ 2.2 g/t from 34m) also returned encouraging results.

Final results from the programme, including 11 additional holes at Josephine, were due at the time of print.

As the first holes were being drilled at the aforementioned targets, Azumah announced a resource upgrade for Julie West/Danyawu, totalling 69,000oz @ 4.4 g/t gold, having acquired both from ASX-listed neighbour

Castle Minerals Ltd earlier this year.

“The interesting thing about Julie West is we’ve been able to add some really high-grade ounces into our inventory and there’s also a lot of unfinished business on that licence,” Stone said.

“We’ve got some pretty high expectations for that acquisition. There’s a lot of work to do and we’ve really only just started to do that.”

In 2016, Azumah slashed \$54 million off the capex – now \$142 million – required to develop a 1.2 mtpa CIL operation at Wa, producing 90,000 ozpa over its seven-year mine life.

The \$830/oz AISC flagged in the 2015 feasibility study update still stands, but Stone said his company was constantly reviewing all aspects of its flagship project in a bid to generate the best returns.

“The project, as it stands, makes good margins, but we recognise that to improve the bottom line we need to increase our inventory,” Stone said.

Another important recent milestone for Azumah

was the success of the public forums held on both of its mining leases as part of the process for an environmental permit, the last remaining approval needed for project development.

Stone said there was “overwhelming support” from the local communities for the project to proceed.

“We continue to work really closely with the communities there, in an area where’s the absolutely no industry, no other mines and they’re really looking forward to some serious investment,” he said.

“The Ghana Government has been very supportive of the project, [committing to] install power to what will be the minegate, upgrade a lot of the sealed and unsealed roads and shortly the local airstrip will see the establishment of a regular commercial service. All these things just make it a lot easier for us.”

Stone said shareholders could expect a steady flow of drilling results during the first half of 2017, adding he would not be surprised if another company made a play for the Perth-based junior explorer.

“There’s no doubt everybody is looking at everybody else and we would certainly be on the radar of other companies,” Stone said. “We’re keen to progress exploration, finance and bring this project into production, and we’ve had interest from corporates about participating directly in the project development.”

“The recent Teranga [Gold Corp]-Gryphon [Minerals] merger was a good value-adding transaction for both parties and I expect to see more of that. Whether or not that will involve Azumah, I can’t say.”

– Michael Washbourne



Azumah has strong ties with the local communities in Ghana